



UNITED STATES DEPARTMENT OF EDUCATION

Federal Student Aid

TO: Secretary Rod Paige
U.S. Secretary of Education

FROM: Terri Shaw
Chief Operating Officer

RE: FSA Weekly Report

DATE: January 5, 2004

THE WEEK AHEAD

GAO “High Risk” Designation: FSA is meeting with GAO officials for the first of several meetings to discuss FSA financial management improvements. This is part of GAO's ongoing assessment of the Student Financial Assistance program's “high risk” designation. The results of GAO's review will be part of their report to be issued in January 2005.

FSA IN THE FIELD

Student Aid on the Web: For the Month of December, *Student Aid on the Web* recorded 859,308 visits, 16,116,646 hits and 1,769,639 page views. For the same period one year ago our site recorded 107,861 visits; 2,517,775 hits; and 269,852 page views. This represents increases of 696.7%, 540.1% and 555.8% respectively.

Through December 31, My FSA, the *Student Aid on the Web* feature that offers students and their families a single source of *free* information on choosing a career, selecting a college and identifying resources to pay for higher education, recorded 15,214 new accounts.

Financial Partners Services Portal: For the two weeks ending January 2, 2004, the Financial Partners Services Portal received 69,477 hits and 2,870 visits.

IFAP.gov Website Usage: For the week ending December 27, www.ifap.ed.gov received 33,851 visits and 992,184 million hits.

Schools Portal Usage: For the week ending December 27, www.fsa4schools.ed.gov received 6,542 visits and 422,952 million hits.

OPERATIONAL METRICS

Application Activities through December 28, 2003: The Central Processing System (CPS) has processed 12.0 million applications for the 2003-2004 cycle, a 7.8% increase over the 2002-2003 cycle.

Program Disbursements: Through the week ending December 6, annual Pell and Direct Loan disbursements reached \$11.6 billion and \$11.4 billion respectively for the 2002-2003 academic year and \$5.56 billion and \$5.1 billion respectively for the 2003-2004 academic year. Through the week ending December 29, annual FFEL disbursements reached \$28.7 billion for the 2002-2003 academic year and \$12.1 billion for the 2003-2004 academic year. Through November, annual Direct Consolidation Loan disbursements reached \$1.18 billion.

Total Default Recoveries: Through December 19, total FSA default recoveries for FY04 reached \$292.9 million, up 18% year to date. Total non-consolidation recoveries reached \$247.1 million, up 43% year to date. Combined Recoveries from our private collection agency efforts reached \$243.8 million, up 20% year to date.

1-800-4-FED-AID through December 27, 2003: Year to date, the Federal Student Aid Information Center (FSAIC) has received 8.1 million calls, a 1.2% decrease over last year. Service levels have increased with 99.0% of calls completed, a 2.6% increase over last year and the average speed to answer reduced by 62.6% over last year to 8 seconds.

Direct Loan Servicing Call Center Phone Activity through December 19, 2003: Year to date, the Direct Loan Servicing Centers received 6,409,834 calls to the Interactive Voice Response System, an increase of 0.07 percent over 2002. Of the calls received, Borrower Services representatives handled 4,613,363, an increase of 0.49 percent over 2002. The average speed of answer was 6.51 seconds, a decrease of 26.13 percent over 2002. The resolve rate for the Voice Response System was 27.74 percent, an increase of 1.93 percent over 2002. The Abandoned Call Rate was 0.25 percent, a decrease of 34.86 percent over 2002.

KEY ISSUES

Greentree Gazette: FSA is featured in the January issue of the Greentree Gazette. Entitled "Not your father's student aid," this special report highlights FSA, introduces the new management team and previews many upcoming initiatives.

Sue Szabo To Head Borrower Services: Terri Shaw announced last week that Sue Szabo has been appointed General Manager of Borrower Services replacing Tom Pestka who retired from the Department after 30 years.

E-Gov/eLoans: The GovLoans team is working with each of the eLoans partner agencies to finalize the content of the loan programs for GovLoans.gov.

Electronic Change of Address Requests: As of December 8, Direct Loan Servicing received 83,383 change of address requests from the U.S. Postal Service. At a cost of \$0.20 per electronic record versus \$0.70 per paper postcard, FSA realized a savings of \$41,691.50. Since program implementation on September 19, 2003, Direct Loan Servicing has received 105,686 requests for a total savings of \$52,843.00.

Income Verification Match Meeting with Pennsylvania Higher Education Assistance Agency (PHEAA): On December 16, members of ED's IRS Income Verification Match workgroup met PHEAA representatives to learn more about PHEAA's income verification match

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process. PHEAA has been matching income information reported on financial aid applications with state tax return information maintained by the Pennsylvania Department of Revenue since 1972.

ON THE HORIZON

Coalition of African American Professional and Community Organizations: On February 13, 2004, FSA representatives will present to the Coalition of African American Professional and Community Organizations at the 4th Annual Career Expo and College Fair.

CONTACT INFORMATION

Please contact Chris Greene at 377-4003 with any questions.